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MONTHLY STATISTICAL SUMMARY

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Current Trends

The rate of paper and paperboard production in November 1979 continued along the high plateau established last Spring. In March, the seasonally adjusted rate of production moved above the 65 million ton per year level and has fluctuated about that rate ever since. It now appears that the total production in 1979 will amount to 64.7 million tons, about 5% above the 61.6 million tons produced in 1978, establishing a new high.

Preliminary data indicate that the rate of paper production slipped a little in November. Among the paper grades, the seasonally adjusted rate of groundwood paper shipments held fairly steady, but both coated papers and uncoated free sheet papers moved downward. The tissue and packaging grades remained close to their September-October levels. If the year-end shutdowns follow their normal pattern, total production of printing/writing papers in 1979 will amount to about 15.4 million tons, some 6% over the 1978 level. On this same basis, newsprint production would total about 4.1 million tons for a 9% gain, and tissue paper production about 4.55 million tons for a gain of nearly 8%.

Paperboard production held up very well in November, with the seasonally adjusted rate moving up a bit from the October level. If the year-end tonnage loss in paperboard production follows the

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average pattern of past years, the 1979 total would amount to about 31.4 million tons, about 3.7% above the 1978 level. The largest gains would be in the containerboard grades, consistent with the strong increase in demand for fiber box shipments. Unbleached kraft linerboard production, for example, at 13.9 million tons for 1979 as a whole, would be up 5%, while semichemical paperboard production, at 4.7 million tons, would be up 5.6%. Recycled linerboard is showing a gain of better than 50%, but the tonnage accounts for about 3% of total linerboard. In general, the increase in shipments of boxboard have been fairly small, with the total solid bleached grades, for example, up less than 1%, and total recycled paperboard up about 1-½%.

New Supply

Imports of paper, paperboard and products rose sharply in October to a level of 767,000 tons, but fell short of the 812,000 tons imported in August. Imports of both newsprint and uncoated groundwood papers also rose sharply from the September level but remained below the level reached in August.

For the first ten months of 1979, total imports of paper, paperboard and products were at an annual rate of 9.1 million tons, 1.2% below the corresponding year-ago figure. Newsprint, at 7.1 million tons, was down by 5.6%; part of this decline reflected supply problems in Canada. Imports of groundwood paper, at about 822,000 tons per year, were up by more than 50% from the year-ago level, and compares to a domestic production rate of 1.5 million tons per year.

Exports of paper, paperboard and products in October, at 340,000 tons, was just a little higher than the September level, but nonetheless was second only to the June high of 350,000 tons. For the entire ten month period, exports were 7.3% over the corresponding year-ago total. Linerboard exports continued to show strength, holding close to the September high and for the entire ten month period were 6% over their year-ago total. On a dollar basis, in the January-October 1979 period, exports of wood pulp, other fibers, paper, paperboard and products were at an annual rate of $3.26 billion, up 28% from the corresponding year-ago rate.

We estimate that the total imports of paper, paperboard and products in 1979 will amount to about 9.0 million tons and total exports to about 3.6 million tons. Thus, on a preliminary basis, new supply (production plus imports less exports) will total 70.1 million tons, about 4% over the 67.4 million tons of new supply in 1978. This compares to the 1978-1979 estimated gain in real gross national product of a little under 2%, and about a 4% gain in total industrial

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PAPER AND PAPERBOARD STATISTICS

PRODUCTION, SHIPMENTS AND ORDERS

(Thousands of Tons)

	YEAR 1977	YEAR 1978	AUG. 1979	SEPT 1979	OCT. 1979	NOV. 1979	Annual Rate Y-T-D 1979	% Change from same Period Last Year
PAPER					R	P		
Newsprint - Production	3870	3768	360	340	371	365	4094	8.5
- Shipments	3866	3779	358	339	371	365	4092	8.1
Printing & Writing	13865	14545	1381	1257	1396	1286	15517	6.2
Groundwood Paper - Shipments	1331	1309	131	119	133	124	1476	13.0
- New Orders	1336	1367	136	124	139	101	1484	8.4
- Unfilled Orders	137	179	195	204	207	185	185	5.5
Coated Paper - Shipments	4261	4448	405	364	406	376	4515	0.6
- New Orders	4279	4428	399	348	378	389	4520	2.0
- Unfilled Orders	398	404	445	432	408	426	426	18.3
Unctd Free Sheet - Shipments	6777	7225	699	632	708	635	7856	8.3
- New Orders	6833	7542	697	628	678	606	7822	2.9
- Unfilled Orders	436	754	753	756	730	710	710	-5.8
Thin Paper - Production *	362	354	33	31	33	34	385	8.4
Cotton Fiber Paper - Shipments	108	114	11	10	11	11	126	9.9
Bleached Bristols -Production*	1026	1095	102	101	105	106	1159	5.5
Tissue Paper - Production	4286	4215	401	367	395	375	4570	7.8
Total Packaging & Other Paper	5390	5314	495	457	503	465	5736	7.2
Unbl. Kraft Paper - Shipments	3815	3884	337	319	348	325	3982	1.8
Other Paper - Production * ♦	1575	1430	158	138	155	140	1754	21.8
TOTAL PAPER-Production-Unadj.	27411	27842	2636	2421	2665	2491	29947	6.9
-Production-S.A.			2567	2507	2538	2493	29809	6.9
PAPERBOARD - PRODUCTION							♦♦	
Solid Wood Pulp Furnish	21636	22790	2081	1935	2098	2039	24681	4.5
Unbleached Kraft Linerboard	12573	13228	1233	1142	1251	1190	14070	5.1
Production for Export	1290	1466	142	126	141	148	1595	7.6
Other Unbl. Kraft Paperboard	1078	1145	101	89	101	109	1251	6.8
Semichemical Paperboard	4264	4439	406	387	403	398	4742	6.0
Production for Export	122	119	9	6	7	6	94	-22.8
Solid Bleached Paperboard	3721	3979	340	318	343	342	4038	0.2
Production for Export	389	430	38	33	37	38	437	0.8
Recycled Paperboard	7317	7485	670	622	675	631	7689	1.8
Production for Export	30	22	2	1	1	1	18	-16.2
TOTAL PAPERBOARD-Prod.-Unadj.	28953	30275	2750	2558	2773	2669	31790	3.8
- Production - S.A.			2590	2670	2586	2651	31391	3.8
- New Orders	29022	31194	2774	2555	2854	2605	32497	3.0
- Unfilled Orders	1037	1370	1589	1622	1594	1484	1484	9.1
WET MACHINE BOARD *	128	142	17	16	16	15	174	22.3
BUILDING PAPERS *	1850	1956	168	148	155	150	1903	-3.8
INSULATING BOARD *	1435	1417	137	117	130	115	1455	2.8
TOTAL ALL GRADES - Unadjusted	59778	61632	5707	5259	5738	5440	65238	5.0
- Production - S.A.			5457	5456	5407	5430	64699	5.0
HARD PRESSED BD. [not in total]*	2237	2180	194	187	200	175	2176	-1.5

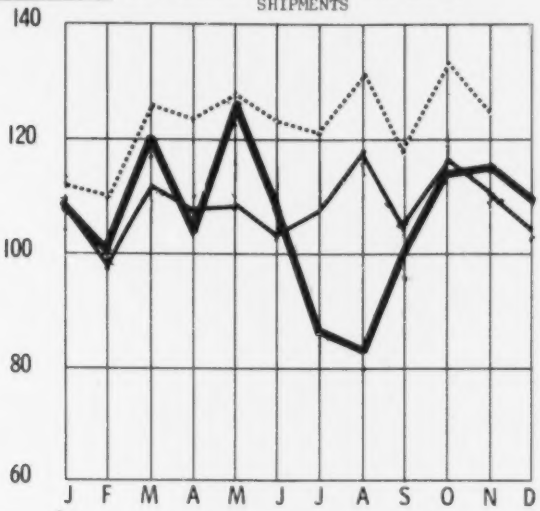
* Census Data - Production. Last two months estimated.
♦ Production excludes API bleached kraft envelope.
♦♦ Includes revisions not available monthly.

S.A. Seasonally Adjusted
P Preliminary
R Revised

THOUSANDS OF TONS

GROUNDWOOD PAPER, UNCOATED

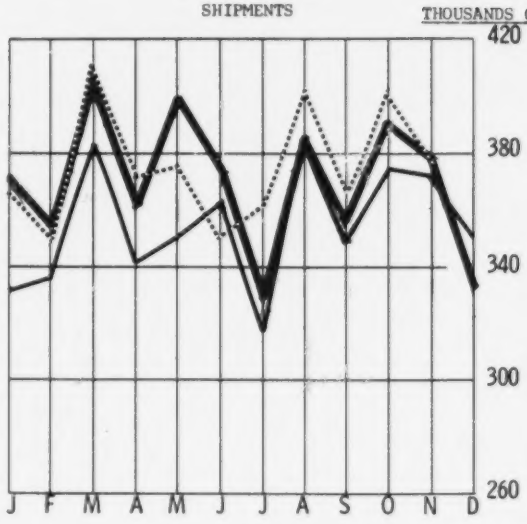
SHIPMENTS



COATED PAPER

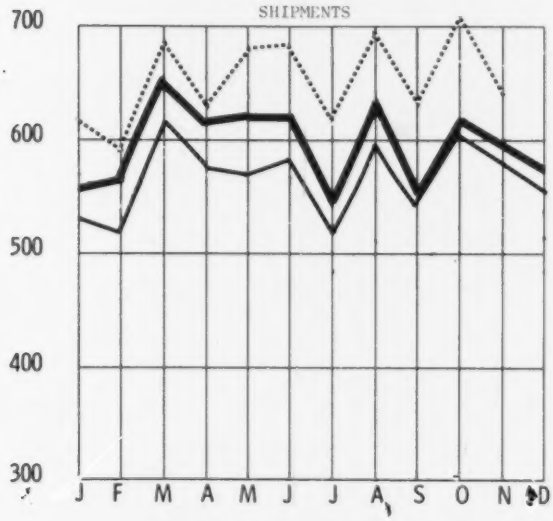
SHIPMENTS

THOUSANDS OF TONS



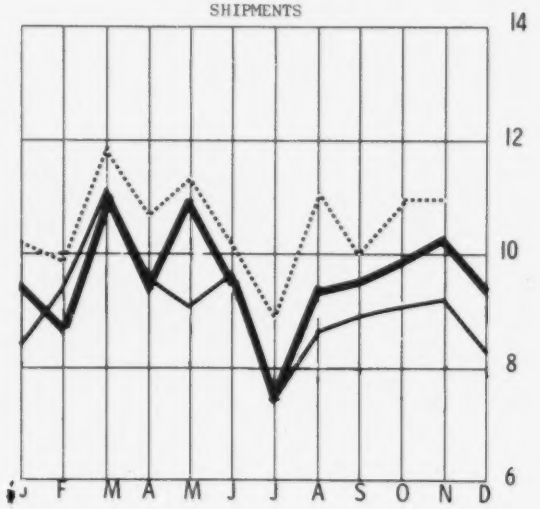
UNCOATED FREE SHEET PAPERS

SHIPMENTS



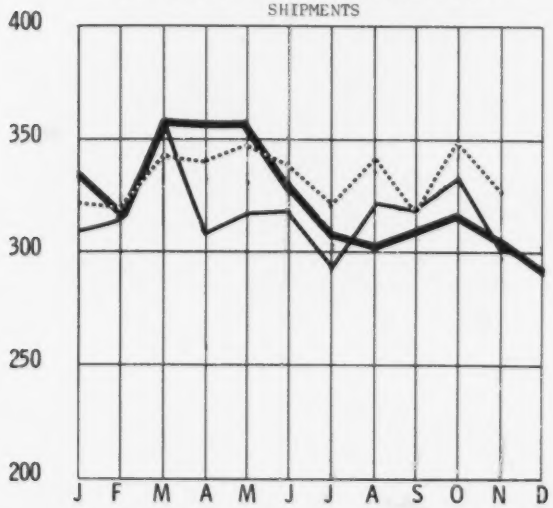
COTTON FIBER PAPER

SHIPMENTS



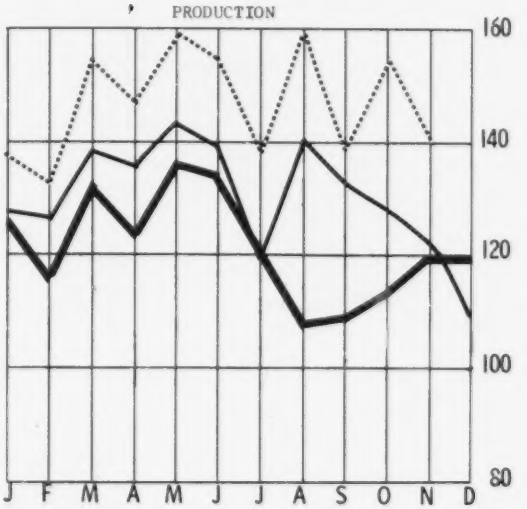
UNBLEACHED KRAFT PACKAGING AND INDUSTRIAL CONVERTING PAPER

SHIPMENTS



OTHER PAPER

PRODUCTION



1977 —— 1978 ▬▬ 1979 ·····

WOOD PULP STATISTICS
(Thousands of Tons)

	YEAR 1977	YEAR 1978	JULY 1979	AUG. 1979	SEPT 1979	OCT. 1979	Annual Rate Y-T-D 1979	% Change from same Period Last Year
TOTAL WOOD PULP (1)					R	P		
Total Wood Pulp - Production	46652	47662	4092	4393	4088	4466	50382	4.8
- Imports	3864	4025	352	378	323	358	4325	9.3
- Exports	2640	2599	279	247	275	265	2867	9.3
- New Supply	47877	49088	4165	4524	4136	4559	51839	5.0
Dissolving Pulp - Production	1467	1411	125	155	109	148	1500	3.7
- Imports	181	189	10	19	24	9	181	6.4
- Exports	796	758	88	71	63	64	747	-5.5
- New Supply	852	842	47	103	69	93	934	13.0
Paper Grades - Production	36897	37847	3189	3409	3213	3488	39618	3.7
Chemical Pulp - Imports	3481	3627	326	331	285	333	3935	9.5
- Exports	1763	1780	187	171	203	193	2053	15.9
- New Supply	38615	39694	3327	3569	3295	3628	41500	3.7
Groundwood and - Production	4403	4373	360	387	370	389	4481	2.6
Thermo-Mech. - Imports	203	208	16	27	14	16	209	8.8
- Exports	81	62	4	4	8	8	67	8.9
- New Supply	4525	4519	371	410	375	396	4622	2.8
Semi-Chemical - Production	3886	4031	419	441	397	442	4783	18.5
- Imports	0	0						
- Exports	0	0	------	Included	with	Groundwood	Pulp	------
- New Supply	3886	4031	419	441	397	442	4783	18.5
MARKET WOOD PULP								
Total Market - Production	4819	5165	487	516	482	532	5675	8.1
Wood Pulp - Imports	2684	2816	247	240	226	251	3056	9.4
- Exports	2359	2480	243	238	287	231	2727	8.5
- New Supply	5144	5501	490	517	421	551	6004	8.6
Dissolving Pulp - Production	1465	1406	125	155	108	147	1500	4.1
- Imports	256	291	19	29	28	12	316	13.8
- Exports	798	824	65	93	87	63	848	1.1
- New Supply	923	873	79	91	49	97	968	10.0
Paper Grades - Production	3263	3675	357	354	367	378	4116	10.5
Chemical Pulp - Imports	2394	2495	228	210	198	237	2733	9.7
- Exports	1515	1613	175	141	198	164	1834	12.3
- New Supply	4143	4557	409	423	368	452	5014	9.4
Groundwood Pulp - Production	90	83	5	6	7	6	59	-27.2
and All Other - Imports	35	26	1	1	0	2	7	-66.1
- Exports	46	42	3	4	2	4	45	5.6
- New Supply	80	67	3	3	5	3	22	-64.2

(1) Prodctn excludes defibrated, exploded & screenings-(000 tons): 1977 - 3218; 1978 - 3155;A.R.Y-T-D'79 - 3216
SOURCES: Total Wood Pulp Imports & Exports - Department of Commerce. Total Wood Pulp Production & Market Wood Pulp Production, Imports & Exports - Pulp & Raw Materials Group, API.

FIBROUS RAW MATERIALS
(Thousands of tons)

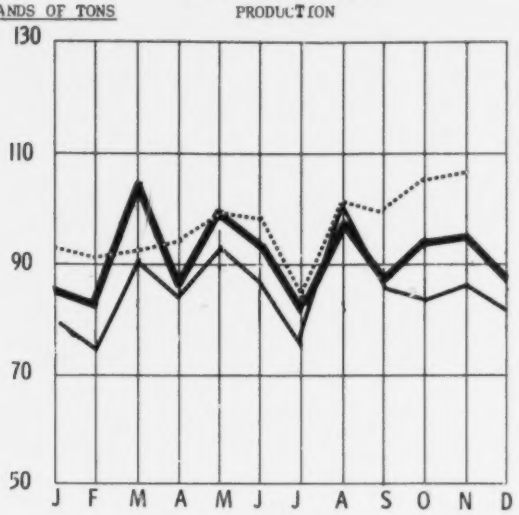
CONSUMPTION AT PAPER & BD. MILLS					R	P		
Total	62399	64043	5321	5816	5440	5711	66859	3.9
Total Wood Pulp (2) A	47596	48777	4154	4465	4169	4301	51140	4.3
Market Wood Pulp A	4216	4774	409	418	399	440	5068	6.2
Waste Paper (3) A	14058	14600	1122	1295	1219	1355	15063	2.8
Rags, Straw & Other C, E	745	666	45	56	52	55	655	-2.5
INVENTORIES								
Wood Pulp at Pulp Mills A	193	130	118	122	114	112	112	-27.2
Market Pulp at Pulp Mills A	277	187	178	166	146	152	152	-29.9
Mkt Pulp at Ppr.& Bd. Mills CE	404	435	440	438	390	400	400	-8.6
Waste Ppr.at Ppr.&Bd. Mills CE	728	740	662	636	665	675	675	-9.9
Rags, Straw and Other at Paper and Board Mills C, E	67	66	69	61	65	70	70	6.1
Mkt Wood Pulp Days of Supply A	55	44	41	42	37	36	36	-17.5
Wood Pulp Consumption at at Non-Paper Mills C, E	876	884	77	76	70	75	908	4.3

A - Pulp & Raw Materials Group, API; C - Bureau of the Census; E - Most Recent Month Estimated by API
P - Preliminary; R - Revised; (0) - Indicates zero to five-hundred short tons
(2) Excludes consumption of defibrated & exploded pulp for hard pressed bd.: 1977 - 1,688,000; 1978 - 1,655,000 ton
(3) Census Waste Paper Consumpt.(000 tons): 1977 - 12192; 1978 - 13185; 1979(Annual Rate Jan-Sept) 12965

BLEACHED BRISTOLS

PRODUCTION

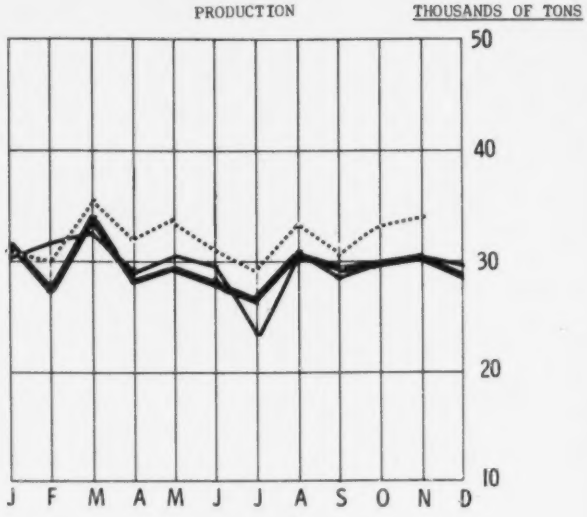
THOUSANDS OF TONS



THIN PAPERS

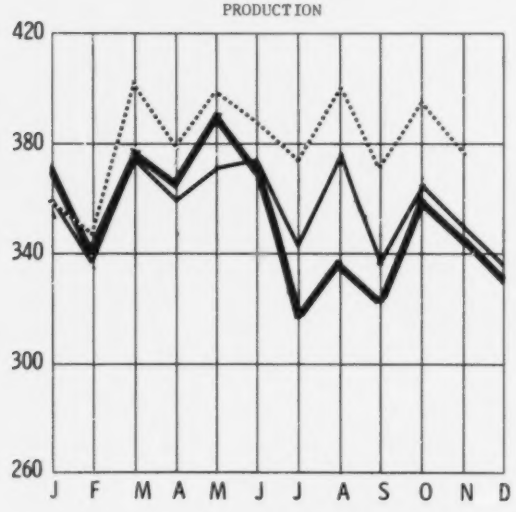
PRODUCTION

THOUSANDS OF TONS



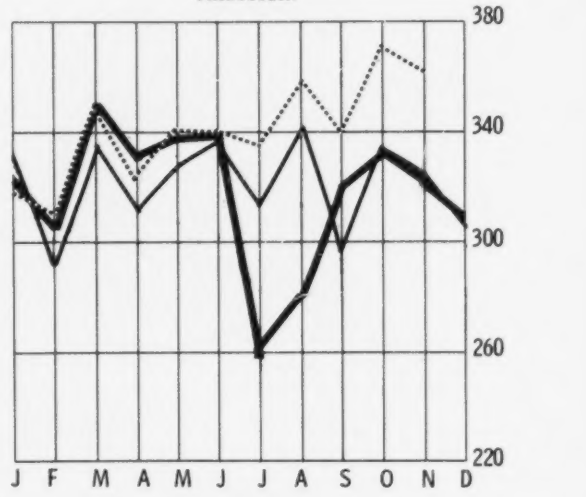
TISSUE PAPER

PRODUCTION



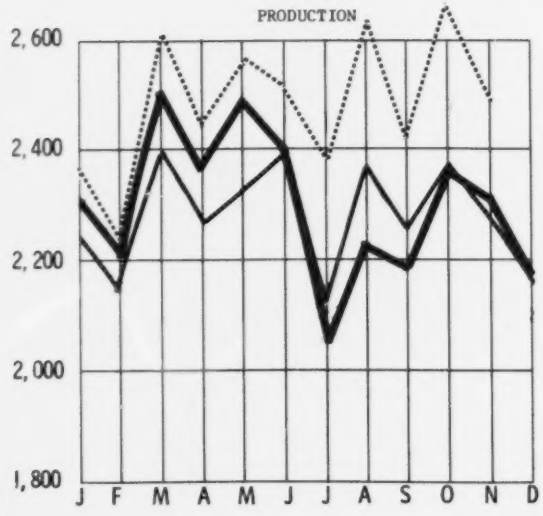
NEWSPRINT

PRODUCTION



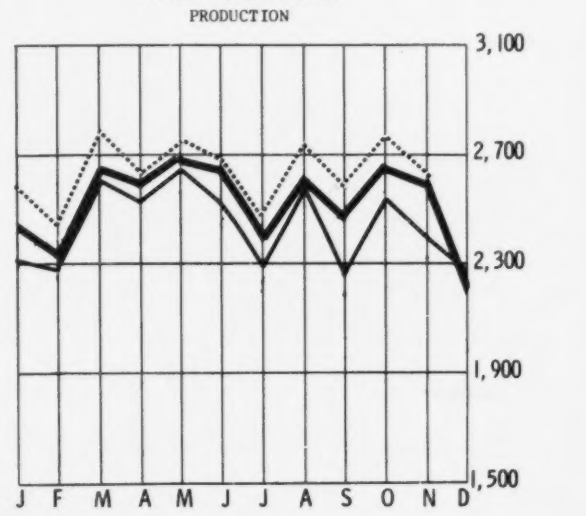
TOTAL PAPER

PRODUCTION



TOTAL PAPERBOARD

PRODUCTION



1977——— 1978▬▬▬ 1979·····

FIBROUS RAW MATERIALS (Continued)

(Thousands of Standard (128 cubic foot) Cords)

		YEAR 1977	YEAR 1978	JULY 1979	AUG. 1979	SEPT 1979	OCT. 1979	Annual Rate Y-T-D 1979	% Change from same Period Last Year
PULPWOOD									
Total U.S.	- Total Receipts	74034	77025	6505	6955	6465	7505	78707	2.0
	- Total Consumpt.	74807	77290	6469	6644	6448	7103	80143	2.8
	- Residues *	30112	30369	2418	2707	2444	2915	30658	0.1
	- Inventories	6187	6244	4558	4847	4943	5320	5320	-9.8
So. Atlantic	- Total Receipts	23727	25353	2235	2224	2080	2393	26185	3.3
	- Total Consumpt	23820	25204	2353	2158	2194	2385	26819	5.5
	- Residues *	7880	8513	745	766	698	807	8960	5.0
	- Inventories	1003	1191	859	972	894	911	911	-6.1
Northeast	- Total Receipts	5954	6664	599	656	611	649	7417	12.4
	- Total Consumpt	6250	6607	558	625	554	661	7570	15.5
	- Residues *	1426	1662	118	158	129	143	1692	1.5
	- Inventories	584	770	597	625	684	680	680	-0.7
South Central	- Total Receipts	24367	25572	2136	2332	2157	2568	26701	5.2
	- Total Consumpt	24394	25678	2094	2232	2096	2308	26735	4.1
	- Residues *	8415	8418	664	721	673	787	8878	5.4
	- Inventories	1279	1194	787	874	979	1243	1243	16.8
North Central	- Total Receipts	4996	5291	495	539	480	518	5531	5.4
	- Total Consumpt	5261	5330	409	453	438	448	5557	4.4
	- Residues *	1430	1456	130	131	126	142	1495	5.7
	- Inventories	1029	968	709	786	832	885	885	-6.2
West	- Total Receipts	14990	14145	1040	1204	1137	1377	12872	-11.9
	- Total Consumpt	15082	14471	1055	1176	1166	1301	13463	-10.0
	- Residues *	10961	10320	761	931	818	1036	9632	-9.1
	- Inventories	2292	2121	1606	1590	1554	1601	1601	-28.3

* - Consumption of Residues in Cord Equivalents.
SOURCE: American Pulpwood Association

UNITED STATES TRADE WITH CANADA

IMPORTS FROM CANADA

	YEAR 1978 Tons	YEAR 1978 $000	SEPT 1979 Tons	SEPT 1979 $000	OCT. 1979 Tons	OCT. 1979 $000	Annual Rate Y-T-D 1979	% Change from same Period Last Year
Pulpwood, Roundwood (in cords of 128 cubic feet)	267517	11155	10392	442	26097	1139	208061	-15.8
Pulpwood Chips	1817114	34737	109522	2180	173509	3555	1542089	-18.4
Wood Pulp, Total	3847590	1041860	294506	103803	358021	128032	4146388	9.3
Waste Fibrous Materials, Total	99872	13581	10485	1723	3326	549	92265	-11.2
Paper,Paperboard&Products,Total	8666058	2496771	644801	213963	717606	241702	8451271	-3.2
Paper, Paperboard,Wet Machine Bd. & Constr. Paper & Bd. *	8625089	2454161	641094	208350	713399	236555	8407439	-3.3
Paper, Total	8209265	2382065	603076	201215	669161	228189	7957850	-3.8
Newsprint	7477824	2108925	531372	171088	576311	187537	7003346	-7.3
Printing,Writing & Rel.Par.	592897	215790	61256	24757	81148	34298	813912	39.8
Pack. & Ind. Conv. Paper	126672	50896	8762	4282	9710	4987	119344	-3.0
Special Industrial Paper	556	595	210	269	305	388	3140	643.6
Tissue Paper	11315	5860	1476	819	1688	979	18107	61.2
Paperboard, Total	97162	16488	6119	1361	7381	1616	75903	-22.4
Wet Machine Board	1437	758	63	35	197	88	1563	7.3
Construction Paper and Bd. *	317225	54849	31836	5739	36660	6662	372123	16.8
Convtd Paper&Paperbd Products	40970	42611	3707	5613	4206	5147	43831	13.6

EXPORTS TO CANADA

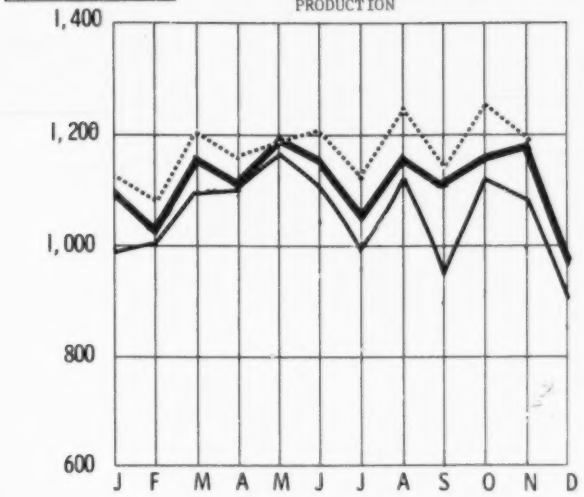
Pulpwood, Roundwood (in cords of 128 cubic feet)	216233	8823	14887	698	14933	629	281466	29.3
Pulpwood Chips	89406	4695	5097	205	8707	210	100038	12.3
Wood Pulp, Total	98813	32570	13821	4422	9514	3846	135578	38.3
Cotton Pulp & Other Pulp	12291	4437	585	279	298	142	7976	-12.4
Waste Paper	341671	33467	41841	4499	60077	5994	476425	45.7
Paper,Paperboard&Products,Total	667324	356156	53046	29090	53546	32440	630268	-7.7
Paper, Paperboard, Wet Machine Bd. & Constr. Paper & Board *	469501	232442	38184	19603	37590	21665	456346	-5.0
Paper, Total	196765	143884	17342	12076	15909	13254	180064	-11.1
Newsprint	2368	1794	113	111	94	96	3020	29.3
Printing,Writing & Rel.Par.	115565	80005	9858	6826	10774	7815	109829	-8.5
Pack. & Ind. Conv. Paper	28732	13338	1488	871	1563	993	16728	-45.3
Special Industrial Paper	40579	41156	5338	3757	3097	4121	42303	5.4
Tissue	9522	7592	545	511	381	228	8184	-13.1
Paperboard, Total	220964	70738	18669	6589	18991	7032	232817	3.6
Wet Machine Board	4906	2446	392	199	483	296	5548	18.2
Construction Par. & Bd. E *	46866	15374	1781	740	2208	1084	37917	-21.9
Convtd Paper&Paperbd Products	197823	123714	14862	9487	15955	10775	173922	-14.0
* - Hard Pressed Board (not in total)								
Imports of Hard Pressed Bd.	22803	3622	4366	758	4545	787	28026	17.8
Exports of Hard Pressed Bd.	18926	5216	2007	615	1592	536	22118	13.6

SOURCE: Bureau of Census, Department of Commerce. E - Estimate of tonnage based on square foot data

UNBLEACHED KRAFT LINERBOARD

PRODUCTION

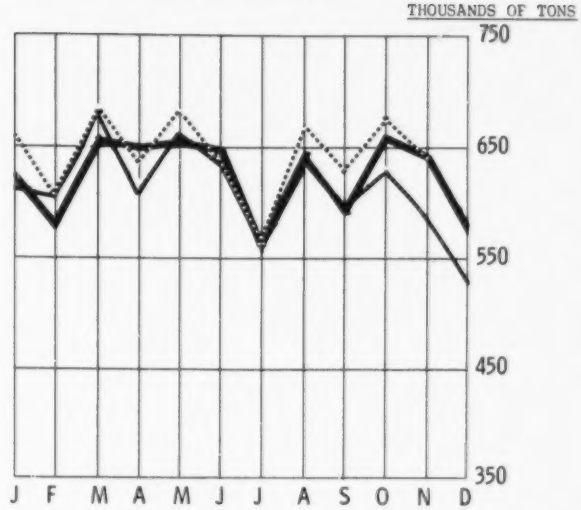
THOUSANDS OF TONS



RECYCLED PAPERBOARD

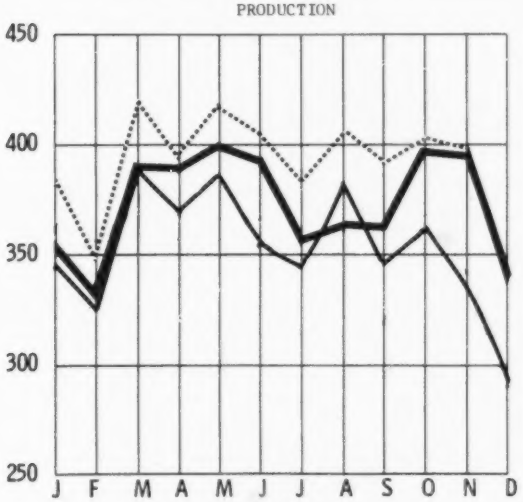
PRODUCTION

THOUSANDS OF TONS



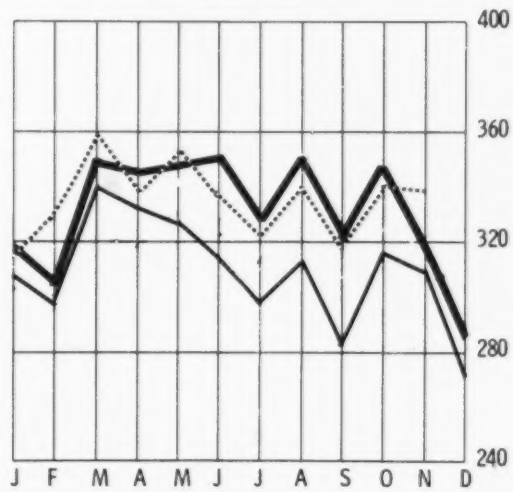
SEMI-CHEMICAL PAPERBOARD

PRODUCTION



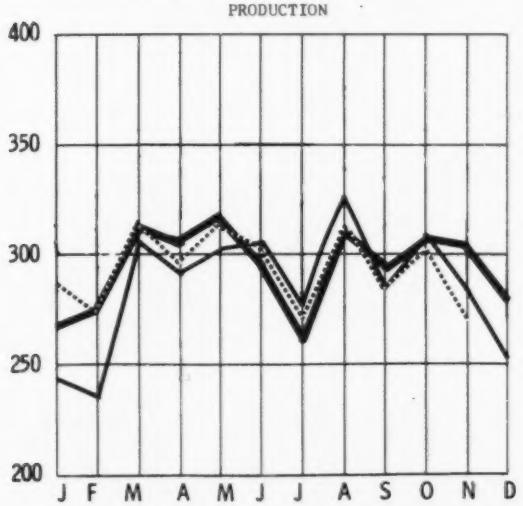
SOLID BLEACHED PAPERBOARD

PRODUCTION



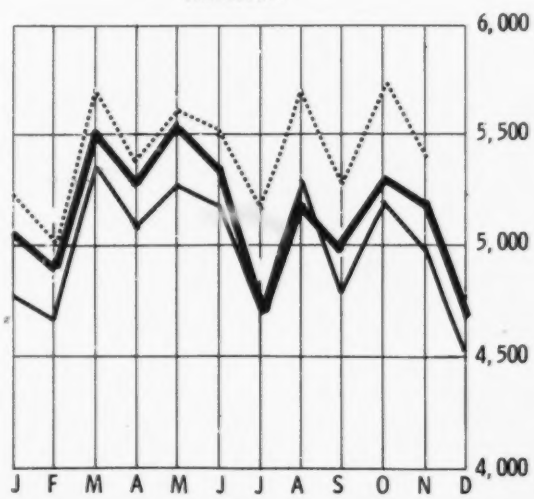
WET MACHINE BOARD AND BUILDING PAPER AND BOARD

PRODUCTION



TOTAL PAPER AND BOARD

PRODUCTION



1977 —— 1978 ▬▬ 1979 .....

PULP, PAPER AND PAPERBOARD IMPORTS AND EXPORTS DATA

IMPORTS

	YEAR 1978 Tons	YEAR 1978 $000	SEPT 1979 Tons	SEPT 1979 $000	OCT. 1979 Tons	OCT. 1979 $000	(1) Annual Rate Y-T-D 1979	% Change from same Period Last Year
Pulpwood, Roundwood (in cords of 128 cubic feet)	270662	11481	10392	442	26121	1140	208090	-17.0
Pulpwood Chips	1819169	34864	109522	2181	173509	3555	1598524	-16.9
Total All Imports	13267526	3926572	1006605	356776	1129870	410091	13521754	1.8
Wood Pulp, Total	4024560	1086438	322757	113030	358021	130116	4324613	9.3
Waste Paper	69440	7253	8017	1252	1936	209	63479	-13.0
Other Fibrous Materials	56093	16854	3587	996	2851	1048	47132	-18.0
Paper,Paperbd&Products,Total	9117433	2816028	672244	241498	767063	278718	9086531	-1.2
Paper,Paperboard,Wet Machine Bd. & Construction Paper & Board	9024340	2640421	663968	221033	758596	257463	8990416	-1.3
Paper, Total	8591929	2562762	624050	213257	712273	248670	8516457	-1.8
Newsprint	7483720	2111648	533367	172007	590134	192077	7143574	-5.6
Printing & Writing	958157	385371	79435	35100	109397	49367	1207982	25.4
Uncoated Groundwood	521602	177010	57646	21519	76869	29906	821969	60.8
Uncoated Book	203204	78744	6516	3360	12566	6487	149858	-30.5
Coated Print.& Impres. Pap	213658	109204	11644	6941	16662	9778	198066	-9.4
Bristols	618	427	96	56	174	83	2499	351.5
Writing and Similar Paper	11748	14284	1677	1720	2449	2470	21207	109.8
Thin (except Cigarette)	7327	5703	1856	1505	677	643	14383	92.2
Total Pks & Other Paper	138132	59377	9765	5320	11051	6241	146467	8.9
Unbleached Kraft Paper	64623	19296	4359	1683	5196	2082	69998	10.5
Other Pks. & Indust. Paper	73509	40081	5406	3637	5856	4159	76469	7.5
Tissue	11920	6366	1483	830	1691	986	18435	57.8
Paperboard, Total	100102	18283	6243	1497	7426	1664	77617	-23.4
Test or Containerboard	31860	5185	2141	547	2741	656	20592	-39.2
Semi-Chemical Corrugating	48027	7412	2737	491	3411	612	35472	-25.0
Other Paperboard	20215	5685	1365	459	1275	396	21553	7.2
Wet Machine Board	2717	1497	135	99	224	103	2394	-17.4
Construction Paper & Bd. #	329593	57879	33540	6180	38674	7025	393947	19.1
Building Paper	271870	47017	29374	5278	33068	5847	341171	25.3
Insulating Board	25392	4997	1746	353	2160	419	22470	-11.7
Other Building Board	32331	5865	2419	549	3446	759	30306	-8.5
Convtd Paper&Paperbd Products	93093	175607	8276	20465	8467	21255	96115	5.2
Paper Products, Total	86791	164651	7796	19428	7890	19525	90222	6.2
Paperboard Products, Total	6302	10956	480	1037	577	1730	5893	-8.9
Notes								
Other: No Weight Avail. ($000)		78967		7786		6926	82272	4.7
Total Imports Incl. Other($000)		4005539		364561		417017	4696968	18.0

EXPORTS

Pulpwood, Roundwood (in cords of 128 cu. ft.)	218270	8960	14979	700	14933	629	281891	28.2
Pulpwood Chips	3617574	156779	448708	20773	348136	16583	4407314	22.3
Total All Exports	7659628	2571426	792309	301894	841784	319462	8785582	14.5
Wood Pulp,Total	2598952	817102	274597	104620	264612	103085	2867272	9.3
Cotton Pulp and Other Pulp	88481	47987	9635	5827	14004	8044	129685	54.8
Waste and Old Paper	1599449	145884	169490	20788	222755	25315	2155970	36.7
Paper, Paperbd&Products, Total	3372746	1560452	338587	170658	340413	183018	3632655	7.3
Paper,Paperboard,Wet Machine Bd. & Construction Paper & Board	2895732	1108079	291290	122752	289547	128855	3076441	5.5
Paper, Total	542675	415574	49893	42697	56408	47364	556149	0.7
Newsprint	82454	29947	4258	2141	10843	4418	61468	-31.9
Printing & Writing	266096	208801	23064	20357	24821	22512	276732	3.3
Uncoated Groundwood	58109	37154	7309	5224	5950	4578	81532	48.2
Clay Coated Paper	73592	54358	6709	5188	6800	5662	73924	-0.0
Uncoated Free Sheet	84896	66185	4626	4864	7326	6538	62800	-23.2
Other Printing & Writing	49500	51103	4420	5082	4744	5734	53476	5.4
Total Pks. & Other Paper	172995	159013	19496	16924	18079	17958	189608	9.5
Unbleached Kraft	45442	17440	4604	2132	7390	3212	54136	23.8
Other Pks. & Indust. Paper	127553	141573	14892	14792	10689	14746	135473	4.7
Tissue	21130	17814	3075	3274	2666	2475	28339	34.7
Paperboard, Total	2281653	662216	236821	77746	228429	79087	2457501	7.3
Solid Wood Pulp	2078118	576605	222839	71511	209438	71263	2279106	9.4
Total Linerboard	1539510	344110	166185	44588	153807	44506	1637920	6.0
Bleached Kraft Linerboard	194421	50671	13829	4329	17089	5141	185544	-8.4
Unbleached Kraft Linerbd	1345089	293439	152356	40259	136718	39365	1452376	8.2
Other Unbleached Kraft	65833	22330	10655	3436	7173	2449	95007	38.5
Other Bleached Kraft	440724	204423	45590	23292	45527	23426	530098	22.5
Semi-Chemical Corrugating	32051	5742	410	196	2932	883	16081	-55.6
Recycled Paperboard	203535	85611	13981	6235	18990	7824	178395	-14.1
Wet Machine Board	7554	4805	498	323	562	406	7614	8.2
Construction Paper & Bd. #	63850	25485	4078	1987	4149	1998	55179	-15.1
Building Paper	37166	13220	2246	1047	2497	1146	33897	-6.9
Insulating Board E	26684	12265	1832	940	1652	853	21282	-25.6
Convtd Paper&Paperbd Products	477014	452373	47297	47906	50866	54163	556213	17.9
Paper Products, Total	274884	326728	29906	34900	30125	39531	330110	20.8
Paperboard Products, Total	202130	125645	17390	13006	20741	14632	226103	14.1
Notes								
Other: No Weight Avail. ($000)		7523		845		980	8731	15.3
Total Exports Incl. Other($000)		2578949		302739		320442	3264264	28.0
# Hard Pressed Board (not in total)								
Imports of Hard Pressed Board	295729	40483	26186	3912	23687	4157	262026	-12.6
Exports of Hard Pressed Board	25571	8541	3835	1114	2823	917	34456	30.5

SOURCE: Bureau of Census, U.S. Department of Commerce. E - Estim. of tonnage based on square foot data.
(1) Annual Rate Year-To-Date is in tons unless otherwise specified in item description.

PAPER AND PAPERBOARD PRODUCTION

CENSUS DATA

(Thousands of Tons)

	YEAR 1977	YEAR 1978	JUNE 1979	JULY 1979	AUG. 1979 R	SEPT 1979 P	Annual Rate Y-T-D 1979	% Change from same Period Last Year
PAPER								
Newsprint	3525	3535	293	291	342	308	3690	4.3
Uncoated Groundwood Papers	1578	1525	146	130	141	133	1659	9.3
Coated Papers	4189	4514	368	386	419	374	4630	2.6
Uncoated Free Sheet (1)	6914	7358	632	585	647	612	7438	0.8
Cotton Fiber Paper (1)	118	119	11	9	11	10	128	11.3
Thin Papers	362	354	32	29	33	31	381	7.9
Bleached Bristols	1034	1094	97	84	102	101	1136	4.1
Tissue Paper	4262	3957	363	356	385	343	4313	7.2
Unbleached Kraft Packaging & Industrial Conv. Papers(1)	3980	3887	327	313	342	327	3873	-3.8
Other Paper (1)	1529	1385	154	137	158	138	1750	24.7
TOTAL PAPER GRADES	27491	27729	2422	2319	2579	2378	28998	3.7
PAPERBOARD								
Solid Wood Pulp Furnish	21689	21536	1945	1874	2006	1803	22732	5.5
Unbleached Kraft Linerboard	12880	13127	1172	1132	1205	1069	13670	4.0
Other Unbl. Kraft Paperboard	820	880	96	90	89	76	1045	18.9
Bleached Kraft Paperboard	3851	3604	326	317	357	321	3877	7.0
Semi-Chemical Paperboard	4139	3924	352	336	354	337	4140	6.4
Recycled Paperboard	7036	7187	598	513	616	576	7117	-1.3
TOTAL PAPERBOARD GRADES	28725	28723	2542	2387	2622	2379	29849	3.8
WET MACHINE BOARD	128	142	15	10	17	16	171	20.0
CONSTR. PAPER & INSUL. BOARD	3286	3374	291	254	304	265	3370	0.2
TOTAL ALL GRADES [Excl. H.P.B.]*	59630	59967	5270	4971	5522	5037	62388	3.6

WHOLESALE PRICE INDEXES

1967 = 100

	1977	1978	AUG.	SEPT	OCT.	NOV.		
Pulp, Paper and Products	186.4	195.6	221.9	222.8	227.2	229.3	217.8	11.9
Pulp, Paper & Products, excl. Waste Paper #	186.4	195.6	222.2	223.1	227.5	229.5	217.9	11.9
Total Wood Pulp	281.1	266.5	322.5	322.5	339.4	339.9	312.9	18.0
Total Paper	194.3	206.1	229.6	230.6	239.0	242.1	228.5	11.3
Total Paper, exc. Newsprint	187.2R	199.4	223.7	225.0	231.3	234.5	221.9	11.8
Newsprint	215.5	226.3	247.7	247.7	262.1	265.1	248.2	9.9
Total Paperboard	176.2R	179.6	205.0	209.5	211.2	212.8	200.8	12.2
Total Paper and Paperboard #	188.6R	197.8	221.9	224.0	230.3	232.9	219.7	11.5
Converted Products	176.6R	186.5	213.7	213.9	216.5	218.4	208.5	12.4
Waste Paper	187.2	191.2	206.6	206.7	206.7	220.0	205.3	7.4
All Commodities	194.2	209.3	238.1	241.7	245.2	246.9	234.1	12.2
Industrial Commodities	195.1	209.4	240.3	243.8	248.5	250.2	234.7	12.5

(1) - Grade definitions revised by Census as of January 1979. New grades now consistent with API definitions. 1977 and 1978 Census data adjusted by API for comparability with 1979.

* See page 3 for Hard Pressed Board data. # Computed by API P-Preliminary R-Revised

SOURCES: Production - Bureau of Census, U.S. Department of Commerce
Producer Price Indexes -Bureau of Labor Statistics, U.S. Department of Labor

production. On the basis of these preliminary estimates new supply of paper and paperboard in 1979 was equivalent to 49.1 thousand tons per billion dollars of real GNP, compared to 48.2 thousand tons in 1978 and 48.7 in 1976. These ratios suggest only modest increases in inventories of paper, paperboard and products in the channels of distribution. They further suggest that paper and paperboard new supply has achieved a new pattern of stability relative to real GNP.

Capital Expenditures

The latest data from the Department of Commerce show that capital expenditures by paper companies in 1979 will amount to $4,840 million, up 40% from the 1978 total. McGraw-Hill projects a further 19% increase in these expenditures in 1980. Data recently issued by The Conference Board offers strong confirmation to these trends. The Conference Board reported that new capital appropriations in the first three quarters of 1979 by those paper and allied product companies that are among the thousand largest corporations in the United States were 87% above their corresponding 1978 total. The Board also reported that capital expenditures by these companies were 47% over their year-ago level in the first three quarters of this year, and that the backlog of unspent appropriations was at an all-time high, some 49% over its year-ago level, at the end of the third quarter.

Appropriations peaked in the first half of the year. Appropriations in the third quarter of the year were 34% below the record high average of the first two quarters of 1979. The third quarter 1979 level was high by historic standards nonetheless. In fact, the appropriations in the first three quarters of the year were higher than the annual total of any prior year.

Capacity

The API has changed the release data of its annual Capacity Survey from October to December in order to include any new capacity announcements that develop from Fall planning meetings of the individual paper companies. The new survey shows that total paper and paperboard capacity in 1979 amounted to 68.9 million tons, 2.2% above the 1978 total. The 1978 total itself was 1.4% over that of 1977. The survey further reported that capacity would rise to 71 million tons in 1980, up 3.1%. A further rise of 3% is expected for 1981, and 2.6% for 1982.

Continued on Page 12

Continued from Page 11

The largest rate of increase among the paper grades is expected in newsprint, where capacity is projected to rise by 11% in 1980, 12.6% in 1981 and 6% in 1982. This will bring newsprint capacity in 1982 to 5.4 million tons, 1.3 million tons above the 1979 level. Newsprint consumption in the United States in 1979 is estimated at 11.2 million tons, so that the capacity increases are equivalent to 12% of the total supply or an average growth of 3.7% per year, which is a little above the 1976-1979 growth trend.

The expected increase in coated groundwood paper capacity is also relatively steep, reflecting the strong increase in demand for periodicals and magazines. A sizable part of this demand is currently supplied by imported paper. Capacity in this grade is expected to increase 8.5% in 1980 and nearly 12% in 1981, to bring the 1981 total above 3 million tons. A strong increase is also projected for uncoated free sheet papers, with a gain of 5.4% in 1980, to bring the total above the 8-½ million ton level. However, the increase in this grade in 1981 is projected at only 2.5%.

No major capacity expansion is expected in the packaging and industrial converting paper grades. Tissue paper capacity is projected in a strong uptrend, with the increase from 1978 to 1982 averaging 3.8% per year.

The rate of increase in paperboard capacity is expected to be somewhat below that of the paper grades. The largest rate of increase is expected in unbleached kraft linerboard, which will probably rise an average of 3.5% per year from 1979 to 1982. The increases in the other grades will be much smaller, ranging from 1.3% per year in the solid bleached grades, 1.6% per year in recycled paperboard, and 2.8% per year in semichemical paperboard.

The average rate of increase in wood pulp capacity, as reported in the survey, will be a shade below that of total paper and paperboard. Wood pulp capacity is expected to rise by an average 2.8% per year from 1979 to 1982, reaching 58.2 million tons in 1982. The rate of increase of total paper and paperboard in that same period is projected at 2.9% per year.

Copies of the new Capacity Survey are available to members of API upon request. The cost to non-members is $55.00 [illegible] to a domestic address; $60.00 overseas.

INDUSTRY FACT SHEET

AMERICAN PAPER INSTITUTE, INC.
260 Madison Avenue
New York, New York 10016

December 13, 1979

PRODUCTION (000 TONS)

	Nov. 1979	Oct. 1979	Nov. 1978	Jan - Nov. 1979	Jan - Nov. 1978	% Change 79/78
PAPER GRADES	P	R				
Newsprint	365	371	321	3753	3458	8.5
Uncoated Groundwood (s)	124	133	117	1353	1198	13.0
Coated Paper (s)	376	406	380	4139	4115	0.6
Uncoated Free Sheet Paper (s)	635	708	603	7201	6647	8.3
Thin Paper (c)	34	33	31	353	326	8.4
Cotton Fiber Paper (s)	11	11	10	116	105	9.9
Bleached Bristols (c)	106	105	95	1063	1007	5.5
Tissue Paper	375	395	344	4189	3887	7.8
Unbleached Kraft Packaging & Indl. Converting (s)	325	348	306	3650	3588	1.8
Other Paper (c)	140	155	118	1608	1319	21.8
TOTAL PAPER	2491	2665	2324	27424	25649	6.9
PAPERBOARD GRADES						
Kraft Linerboard, Unbleached	1190	1251	1153	12898	12267	5.1
Other Kraft Paperboard	109	101	77	1147	1074	6.8
Semichemical Paperboard	398	403	386	4346	4102	6.0
Bleached Paperboard	342	343	318	3702	3695	0.2
Recycled Paperboard	631	675	644	7048	6924	1.8
TOTAL PAPERBOARD	2669	2773	2578	29141	28061	3.8
CONSTRUCTION & WET MACH GRADES(c)	280	301	304	3237	3240	-0.1
TOTAL PAPER AND PAPERBOARD	5440	5738	5206	59802	56950	5.0
HARD PRESSED BD.[not in total](c)	175	200	170	1994	2024	-1.5

WOOD PULP (ALL GRADES)	Oct. 1979	Sept 1979	Oct. 1978	Jan - Oct. 1979	Jan - Oct. 1978	% Change 79/78
Dissolving & Special Alpha	148	109	103	1250	1206	3.7
Bleached Sulphite	124	127	90	1136	1238	-8.2
Unbleached Sulphite	35	32	32	333	267	24.8
Bleached & Semi-Bl. Sulph.	1607	1452	1552	15101	14407	4.8
Unbleached Sulphate	1722	1603	1659	16445	15926	3.3
Semichemical	442	397	360	3986	3364	18.5
Groundwood and Thermo-Mechanical	389	370	380	3734	3638	2.6
TOTAL PULP DIVISION DATA	4466	4088	4176	41985	40046	4.8
Defib. Exploded & Screws E	307	267	277	2680	2651	1.1
TOTAL WOOD PULP PRODUCTION	4773	4355	4453	44665	42697	4.6

Note: Paperboard cumulative totals include revisions not available monthly.

(s) - Shipments R - Revised E - Estimate
P - Preliminary (c) - Census Data - Production, last 2 months estimated.

December 19, 1979

	Full Year		INDUSTRY DATA			Ann. Rate Year - To - Date	% From Same Pd. Last Yr.
			R	R	P		
PAPER AND PAPERBOARD -- Tons (000)	1977	1978	September	October	November		
Total Production (API).....	59778	61632	5259	5738	5440	65238	5.0
Total Seasonally Adjusted.... excluding			5456	5407	5430	64699	5.0
Imports (including Products).hard pressed	7432	9117	672	767	720	9046	-1.8
Exports (including Products). board	3230	3373	339	340	315	3646	7.9
Apparent Consumption.....	63980 a	67376 b	5789	5834	5835	70097 c	3.9
Paper Production % Tonnage Capacity.....	91.9 s	91.7 s	92.6	98.0	94.2	95.9 hs	-
Paperboard Production % Tonnage Capacity.....	90.9 s	92.7 s	90.0	95.5	93.9	94.0 s	-
			August	September	October		
MARKET WOOD PULP PRODUCTION - Tons (000).....	4819	5165	516	482	532	5675	8.1
TOTAL WOOD PULP PRODUCTION - Tons (000)..(f)....	46652	47662	4393	4088	4466	50382	4.8
WOOD PULP IMPORTS - TONS (000).....	3864	4025	378	323	358	4325	9.3
WOOD PULP EXPORTS - TONS (000).....	2640	2599	247	275	265	2867	9.3
RAW MATERIALS CONSUMPTION - Tons (000)							
..PAPER AND BOARD MILLS			August	September	October		
Wood Pulp..(k).....	47596	48777	4465	4169	4301	51140	4.3
Waste Paper....(d).....	14058	14600	1295	1219	1355	15063	2.8
Other (Census)..... E	745	666	56	52	55	655	-2.5
Total.....	62399	64043	5816	5440	5711	66859	3.9
..WOOD PULP - NON PAPER..... E	876	884	76	70	75	908	4.3
PULPWOOD CONSUMPTION Cords(000)Amer.Pulpwd. Assn	74807	77290	6644	6448	7103	80143	2.8
EMPLOYMENT (000)			September	October	November		
Paper and Allied Products.....Total.....	691.6	700.9	718.5	717.6	717.5	714.3	1.9
Pulp, Paper and Board Mills.....Total.....E	272.3	267.0	273.4	271.9	271.8	271.0	1.4
AVERAGE HOURLY EARNINGS OF PRODUCTION WORKERS ($)							
Paper and Allied Products.....	5.96	6.52	7.32	7.33	7.40	7.08	9.0
Pulp, Paper Mills.....E	6.75	7.44	8.57	8.64	8.70	8.22	10.8
Paperboard Mills.....E	6.94	7.68	8.71	8.68	8.70	8.33	9.1
CAPITAL EXPENDITURES, PAPER & ALLIED PRODUCTS			1979 Q2	1979 Q3	1979 Q4		
(Rept. by US Dept. of Com., Ann. Rates, Bill.$)s	3.36	3.46	4.80	4.68	5.09	4.84	40.0
INDEX OF OUTPUT PER MAN-HOUR (1967=100).....			July	August	September		
IN PULP, PAPER ...Production Workers.....RS	148.1	153.9	154.5	157.6	159.2	157.8	3.7
AND BOARD MILLS...All Employees.....RS	144.0	148.4	149.2	151.9	153.4	152.1	3.3
PAPER AND ALLIED PRODUCTS (Million $)			August	September	October		
Industry Shipments (Dept. of Commerce)s.....	52368	57654	5634	5544	5688	66001	15.4
Pulp, Paper and Paperboards.....	23701	25343	2586	2565	2635	29957	19.3
Inventories (End of Period) - Total Industrys.	5628	5875	6363	6422	6539	6539	12.7
Pulp, Paper and Paperboards.....	2102	2006	2148	2137	2205	2205	10.5
			1979 Q1	1979 Q2	1979 Q3		
Sales (Corporations Only, FTC).....	45750	48982RS	12997	13828	14133	54611	13.3
Earnings (Corporations Only, FTC).....	2367	2598RS	867	917	1162	3928	58.0
Depreciation (Corporations Only, FTC).....	1663	1726RS	447	479	481	1876	9.8
Net Worth (Corporations Only, FTC).....	19704	20794RS	21282	21808	22688	22688	12.3
PRICE INDEXES (Bureau of Labor Stats)1967=100			September	October	November		
Total Pulp, Paper and Allied Products.....	186.4	195.6	222.8	227.2	229.3	217.8	11.9
Wood Pulp.....	281.1	266.5	322.5	339.4	339.9	312.9	18.0
Waste Paper.....	187.2	191.2	206.7	206.7	220.0	205.3	7.4
Paper.....	194.3	206.1	230.6	239.0	242.1	228.5	11.3
Paperboard.....	176.2	179.6	209.5	211.2	212.8	200.8	12.2
PAPER DEMAND (INDEXED: 1967=100)			September	October	November		
Total Paper Production s.....	131.0	133.1	143.6	145.4	142.9	142.3	6.9
Paper New Supply s.....	124.0	131.2	134.8	139.7	136.3	137.6	4.6
Total End - Use Index s.....	134.4	139.5	144.7	145.6	146.2	144.7	4.0
Production of Nondurable Goods s...(19%)..	150.5	157.0	164.4	164.7	165.0	163.2	4.3
Disposable Income (Constant $) s...(23%)..	138.6	145.2	147.7	147.6	147.8	148.4	2.5
Total Printing and Publishing s...(58%)..	127.6	131.5	137.1	138.5	139.4	137.2	4.5
Trend Factor	----------	----------	----------	Not Available	----------	----------	----------
PAPERBOARD DEMAND (INDEXED: 1967=100)							
Total Paperboard Production s.....	127.0	132.8	140.4	136.0	139.4	137.6	3.8
Production for Domestic Use	271.3	227.3	139.5	133.8	137.0	135.8	3.8
Total End - Use Index s.....	141.6	147.7	151.6	151.6	150.6	151.7	3.0
Production of Consumer Goods s...(60.49%)	145.3	149.1	149.8	149.9	148.7	150.5	1.1
Production of Equipment s...(6.62%)	123.0	132.8	143.5	142.7	142.8	141.7	7.2
Production of Materials s...(32.89%)	139.6	148.3	156.4	156.6	155.6	155.9	5.7
Trend Factor	----------	----------	----------	Not Available	----------	----------	----------
NEWSPRINT MARKETS			August	September	October		
Consumption by Publishers - Tons (000).....	10228	10872	912	952	1023	11125	4.5
Newspaper Pub. and Printing Emp. Total (000)..	395.6	407.4	421.6	421.8	424.7	419.0	3.2
PRINTING AND FINE PAPER MARKETS							
MAGAZINE ADVERTISING PAGES (LNA, Inc.).....	106489	115239	7596	10803	12172	115958	3.9
WHOLESALERS SALES AND INVENTORIES (Million $)							
Total Paper & Pap. Prdcts..ex Wallpaper..Sales	15482	17586	1777	1599	1785	19616	12.5
Inventories (End of Period)	1261	1482	1604	1663	1640	1640	15.6
Paper Only.....Sales	11799	13078	1327	1202	1340	14851	15.0
Inventories (End of Period)	873	1025	1055	1109	1111	1111	14.7
RETAIL TRADE (Million $)			September	October	November		
Total Retail Sales s.....	724020	798818	76929	75620	76992	879065	10.7
Nondurable Goods Stores Sales s.....	476188	520902	49957	50209	51097	575700	11.1
GENERAL ECONOMIC DATA							
TOTAL INDUSTRIAL PRODUCTION (INDEX 1967 = 100)s.	138.2	146.1	152.4	152.4	151.6	151.2	3.8
WHOLESALE PRICES(ALL COMMODITIES)(INDX 1967=100)	194.2	209.3	241.7	245.2	246.9	234.1	12.2
			August	September	October		
CONSUMER PRICES (ALL ITEMS) (INDEX 1967 = 100)..	181.5	195.4	221.1	223.4	225.4	215.2	10.9
TOTAL CONSUMER CREDIT OUTSTANDING - (Billion $).	230.8	275.6	299.8	303.9	305.2	305.2	14.8
GROSS NATIONAL PRODUCT - ANNUAL RATE (Billions).			1979 Q1	1979 Q2	1979 Q3		
G.N.P. or Expenditure - Current s.....	1899.5	2127.6	2292.1	2329.8	2396.5	2339.5	11.8
G.N.P. OR Expenditure - 1972 s.....	1340.5	1399.2	1430.6	1422.3	1433.3	1428.7	2.8

lb/capita Popul.(mil)
.a - 590 216.8
.b - 617 218.5
.c - 636 220.4
.d - 1977 - 12192; 1978 - 13185
. 1979 A.R. Jan-Sept - 12965
. (000 tons) as pub. by Census
.E - Last month estimated by API

f - Wood Pulp Production excludes estimates for def. expl. & screws. Prod. was: 1977 - 3,218; 1978 - 3,138; 1979 A.R.Y-T-D 3,216 (000 tons)
s - Adjusted for holiday shutdowns
h - Adjusted to conform with API Division data
k - Excludes consumption of defib. & expl. pulp for hard p. bd.: '77 - 1,688; '78 - 1,655 (000 tons)

N.A. - Not Available
P - Preliminary
Q - Quarter
R - Revised
RS - Revised Series
w - Full year estimated by U.S. Dept. of Commerce
s - Seasonally adjusted